

**BOARD OF DIRECTORS REGULAR MEETING**  
**3:00 p.m., Thursday, June 9, 2016**  
**GIAA TERMINAL CONFERENCE ROOM #3**

Public Notice

First Notice:

Guam Daily Post – June 2, 2016

Notice to Media – June 2, 2016

Second Notice:

Guam Daily Post – June 7, 2016

Notice to Media – June 7, 2016

**AGENDA**

1. Call to Order and Attendance
2. Approval of Agenda
3. Approval of Minutes
  - A. April 28, 2016 Regular Meeting
4. Correspondence
5. Old Business
  - A. Status Updates of Capital Improvement Projects
6. New Business
  - A. Election of Officers - GIAA Board of Directors
  - B. Ratification of FAA Grant Agreement AIP Project No. 3-66-0001-094 - Miscellaneous Airport Improvements - Phase V
  - C. Ratification of Award for Replace/Upgrade 30 Tons Split Ducted Units for Building #17-3311 - IFB No. GIAA-C03-FY16
  - D. Approval of Board Resolution No. 16-38: Agreement for Legal Services
  - E. Ratification of Quarterly Travel
7. Report of Executive Manager
8. Report of the Comptroller
9. Executive Session
10. Public Comments
11. Adjournment



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM**

**Thursday, June 9, 2016, 3:00 p.m.  
GIAA TERMINAL CONFERENCE ROOM #3**

**1. CALL TO ORDER AND ATTENDANCE**

The June 9, 2016 regular meeting of the Board of Directors of the A.B. Won Pat International Airport Authority, Guam ("GIAA" or the "Authority") was called to order by Acting Chairman Gerber at 3:07 p.m. at the GIAA Terminal Conference Room #3, 355 Chalan Pasaheru, Tamuning, Guam, 96913.

**Directors Present:**

Martin J. Gerber  
Gurvinder "Bic" Sobti  
Rosalinda A. Tolan  
Katherine C. Sgro  
Deedee S. Camacho  
Ricardo C. Duenas

**Offices or positions:**

Acting Chairman

**Directors Absent:**

Lucy M. Alcorn

Excused

**GIAA Officials:**

Charles H. Ada II  
Jean M. Arriola  
Gerard Bautista  
Ann Bautista  
Ed Muna  
Franklin Taitano  
Joseph Javellana  
Victor Cruz  
Elfrie Koshiba

Executive Manager  
Airport Services Manager  
Air Terminal Manager  
General Accounting Supervisor  
Operations Superintendent  
Procurement Supervisor  
Program Coordinator IV  
Engineering Supervisor  
Airport Marketing

Fred Tupaz

Janalynn Cruz Damian, Esq.

TMG, LLC

GIAA Legal Counsel

The Chairman welcomed Airport tenants, stakeholders, and members of the public who are noted in a sign-in sheet attached to these minutes.

**2. APPROVAL OF AGENDA**

Motion to approve the agenda as presented duly made by Director Tolan, seconded by Director Sgro; motion unanimously passed.

**3. APPROVAL OF MINUTES**

**A. April 28, 2016 Regular Meeting**

No corrections or changes were recommended. On motion duly made by Director Sgro, seconded by Director Sobti, the following resolution was unanimously passed:

**Resolution No. 16-39**

The Board hereby approves the minutes of the April 28, 2016 regular meeting, subject to corrections.

**4. CORRESPONDENCE**

The next item on the agenda was Correspondence.

The Executive Manager announced to the Board that the Airport has received a letter from the FAA in regard to the Annual Certification Inspection which concluded on June 3, 2016. The letter commends GIAA for being the first airport in the Pacific islands to ever obtain a 100% inspection result of the one hundred and twenty-three compliance fields, resulting in a perfect score. The Executive Manager commended the employees and Management for their hard work in meeting the perfect score.

The Acting Chairman commended the Executive Manager and the Airport team for the incredible achievement, especially since the Executive Manager had announced early on that he would strive to attain a perfect score.

**5. OLD BUSINESS**

**A. Status Updates of Capital Improvement Projects**

Mr. Tupaz referred the Board to handouts regarding the current Airport projects and provided various updates to the Board.

**i. FAA AIP Grant Projects – Undistributed Obligations (UDO)**

- FY2011 - Miscellaneous Airport Improvements Phase 4: Work in progress. Installation of fence line expected to be completed by September 2016.
- FY2013 – Update Airport Master Plan Study: FAA Airport District Office to follow up on the GIS approval.

- FY2014 - Install Instrument Landing System (ILS) Runway 06L - Phase III: Close out documents were received by FAA on May 13, 2016. Close out is being reviewed by FAA.
- FY2015 - Acquire Aircraft Rescue & Fire Fighting Vehicle: Notice to Proceed issued to Morrico Equipment LLC on May 18, 2016. Anticipated delivery date of vehicle is May 18, 2017.
- FY2015 - Rehabilitate Runway - 06L/24R: Closeout phase is in progress, pending PAPI flight check and commissioning, which is scheduled for July 2016.
- FY2016 – Install Perimeter Fencing Required by 14 CFR 139: Work in progress for fence line project. Demolition of remnant properties pending final acquisition of remaining parcels.

ii. Bond Capital Improvement Projects

- International Arrivals Corridor with Building Seismic Upgrades: 90% redesign in progress. Constructability review by Construction Manager, SSFM, underway. Stakeholder meetings were held on June 3, 2016, where updates were provided. IFB anticipated to be announced August 2016, Bid opening in September 2016 and a Notice to Proceed in November 2016.
- Hold Bag Screening Relocation: Work in progress. Seismic retrofit completed. Project 59% complete as of May 2016. Estimated date of completion has moved to May 2017 due to number of issues.
- Parking Expansion: 60% submittal provided to the Airport on June 3, 2016. Coordination with Department of Public Works on Route 10A alignment is ongoing.
- ARFF Facility Replacement: Scope of Work is pending approval by FAA. RFP announcement has been delayed to end of June 2016 with Notice to Proceed in July 2016.
- Upgrade Airport IT and FMS: Final design for relocation of Fiber Optic backbone has been provided to United Airlines. RFP anticipated to be announced the end of June 2016.

iii. Capital Improvement Fund

- Wildlife Management Assessment: RFP is currently being advertised. Submittal scheduled for June 14, 2016
- ARFF Facility – Design/Construction Phase I -Scope of Work is pending approval by FAA. RFP announcement has been delayed to end of June 2016 with Notice to Proceed in July 2016.
- Upgrades to VQ-1 Hangar: Assessment ongoing of Hangar Door, roofing and other structural areas. Pending United Airlines feedback on specifications for Hangar Door.
- Improve Leasehold Facilities (GSE, Tech, HC-5): IFB is currently being advertised. Bid opening was rescheduled from June 7, 2016 to June 14, 2016.

- Tiyan Land Acquisition & Redevelopment: Coordination with Department of Public Works for design concepts for Tiyan Parkway Phase II and Route 10A expansion underway. Government of Guam to finalize acquisition by November 2016.
- Improve Arrival and Inspection Facilities: Automated Passenger Controls agreement executed. Estimated time of completion mid-July 2016 pending Customs and Border Protection training and requirements.
- Apron Rehabilitation – Design: Grant application submitted to the FAA, pending final approval of Scope of Work prior to RFP advertisement.
- Express Facility Expansion: Discussions ongoing with end user.
- Safety Management System: RFP has been advertised. Submittal has been rescheduled from June 14, 2016 to June 28, 2016 due to technicalities of the specifications.
- Miscellaneous Airport Improvements – Phase V: Work in progress for fence line project. Demolition of remnant properties pending final acquisition of remaining parcels.

Director Sgro inquired on the impact if any to the West Perimeter Fencing project if the Tiyan Land acquisition is not finalized until November. Mr. Tupaz replied that there will be no impact as the Perimeter Fencing project is on the west perimeter side.

At this time, Mr. Tupaz provided the Board with a brief update regarding Air Service Development, stating that the Executive Manager met with Skymark Airlines a low cost carrier out of Japan, and Management will be finalizing meeting dates with Jet Star Air, Singapore; Tiger Air, Taiwan; and Air Asia, Japan, all interested carriers. He also added that Hong Kong Express will begin operations in the first quarter of 2017.

## **6. NEW BUSINESS**

### **A. Election of Officers - GIAA Board of Directors**

At this time, Acting Chairman called for nominations on the positions of Secretary, Vice Chairperson and Chairman of the Board.

- Secretary

Director Camacho announced that she would like to nominate Director Sobti to the position of Board Secretary.

After further discussion, on motion duly made by Director Camacho, seconded by Sgro, the following resolution was unanimously approved:

**Resolution No. 16-40**

The Board hereby approves the nomination of and elects Director Sobti to the position of Board Secretary of the A.B. Won Pat International Airport Authority, Guam Board of Directors.

- Vice Chairperson

Director Tolan announced that she would like to nominate Director Sgro to the position of Vice Chairperson.

After further discussion, on motion duly made by Director Tolan, seconded by Director Duenas, the following resolution was unanimously approved:

**Resolution No. 16-41**

The Board hereby approves the nomination of and elects Director Sgro to the position of Vice Chairperson of the A.B. Won Pat International Airport Authority, Guam Board of Directors.

- Chairman of the Board

Director Sobti informed the Board that he would like to nominate Director Duenas to the position of Chairman.

After further discussion, on motion duly made by Director Sobti, seconded by Director Tolan, the following resolution was unanimously approved:

**Resolution No. 16-42**

The Board hereby approves the nomination of and elects Director Duenas to the position of Chairman of the A.B. Won Pat International Airport Authority, Guam Board of Directors.

The Board and Management congratulated the new officers. Newly elected Chairman Duenas announced he is looking forward to working with the Board and Management; that the FAA report is a testament to the all of the hard work of the staff and Management, and he looks forward to continuing that success.

Vice Chairperson Sgro took the time to thank Director Gerber for stepping up in the interim following former Chairman Untalan's departure.

*Chairman Duenas now presides over the meeting.*

- B. Ratification of FAA Grant Agreement AIP Project No. 3-66-0001-094-2016  
Miscellaneous Airport Improvements - Phase V

The Executive Manager informed the Board that the grant consists of two (2) ongoing projects: The installation of the west perimeter fence line; and the demolition of remnant facilities along

the parkway. The total amount of the grant is \$706,077.00 with about \$479,000 for the west perimeter fence line and about \$211,000 for the demolition of remnant facilities.

After further discussion, on motion duly made by Director Camacho, seconded by Director Tolan, the following resolution was unanimously approved:

**Resolution No. 16-43**

The Board hereby ratifies Management's acceptance of the FAA Grant Agreement for AIP Project No. 3-66-0001-094-2016 - Miscellaneous Airport Improvements - Phase V.

- C. Ratification of Award for Replace/Upgrade 30 Tons Split Ducted Units for Building #17-3311 - IFB No. GIAA-C03-FY16

The Executive Manager informed the Board that action is required to ratify Management's approval of the said IFB and went on to provide the IFB background information to the Board. Fourteen (14) firms/individuals purchased bid packages and five (5) firms submitted bid proposals before the submission deadline. All five (5) firms were evaluated, and all firms determined to be acceptable. As required by the Guam Procurement Regulations, the bids were publicly opened and read aloud in the presence of the bidders. The bid price submittals are as follows in the order they were received and opened:

<b>Bidder/Firm's Name:</b>	<b>Amount:</b>
1. JRN Air-conditioning & Refrigeration, Inc.	\$53,466.71
2. DB's Builders Inc.	\$82,385.00
3. JWS Refrigeration & Air-conditioning LTD.	\$52,526.00
4. Reaction Company	\$68,250.00
5. Polyphase System Inc.	\$121,870.00

Executive Manager Ada informed the Board that JWS Refrigeration & Air-conditioning Ltd. has been determined to have met the standards and responsibility and responsiveness outlined in the Guam Procurement Regulations and has been deemed as the lowest responsible, responsive bidder. Therefore, it is recommended that JWS Refrigeration & Air-conditioning Ltd. be awarded the contract with a total amount of \$52,526.00 for the project in reference.

Director Tolan inquired on the location of the building. The Executive Manager advised that the building is located on the South Tiyan side of the Airfield.

The Manager informed the Board that the Acting Chairman and Board Secretary were contacted regarding the time sensitive IFB and Management was given prior authorization to proceed.

After further discussion, on motion duly made by Director Sgro, seconded by Director Sobti, the following resolution was unanimously approved:

**Resolution No. 16-44**

The Board hereby ratifies Management's approval of the contract award for Replace/Upgrade 30 Tons Split Ducted Units for Building #17-3311 - IFB No. GIAA-C03-FY16 to JWS Refrigeration & Air-conditioning Ltd. in the total amount of \$52,526.00, subject to legal counsel's review.

**D. Approval of Board Resolution No. 16-38: Agreement for Legal Services**

The next item discussed was the extension of the Agreement for Legal Services with Torres Law Group, Conflicts Counsel. Legal Counsel, Janalynn Damian informed the Board that the one (1) year extension would be the first of four options to extend.

Director Sobti did not participate in the discussion or vote on the referenced extension to Legal Services Agreement because of conflict of interest with Torres Law Group.

After further discussion, on motion duly made by Director Tolan, seconded by Director Camacho, the following resolution was unanimously approved:

**Resolution No. 16-38**

WHEREAS, an Agreement for Legal Services - Conflicts Counsel was entered into on August 1, 2015, by and between the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM ("GIAA") and Torres Law Group ("Torres") (the "Torres Agreement"); and

WHEREAS, the Torres Agreement provides for a term of one year commencing on August 1, 2015, with four (4) options to extend for a period of one (1) year each, not to exceed a total contract period of five (5) years with GIAA approval; and

WHEREAS, the Board of Directors has determined that GIAA continues to require the services of Torres and that it is in the best interests of GIAA to extend the term of the Torres Agreement for an additional one year period commencing on August 1, 2016, under the same terms and conditions as set forth in the Torres Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of GIAA hereby extends the term of the Torres Agreement for an additional one year period commencing on August 1, 2016 and expiring on July 31, 2017, under the same terms and conditions as set forth in the Torres Agreement.

**D. Ratification of Quarterly Travel**

The Executive Manager presented the quarterly travel from March 2016 to June 2016 for ratification by the Board.

After further discussion, on motion duly made by Director Gerber, seconded by Director Tolan, the following resolution was unanimously approved:



**Resolution No. 16-45**

The Board hereby ratifies the quarterly travel report from March 2016 to June 2016 as presented.

**7. REPORT OF THE EXECUTIVE MANAGER**

Reference is made to the Executive Manager's Report included as part of the Board's packet, which was presented by the Executive Manager.

Director Sgro informed the Board and Management that she was extremely impressed with the smooth processing in the USCBP hall when she returned from off-island recently. Mr. Fred Tupaz gave the Board a brief update on the Automated Passport Control kiosks. Discussion followed relative to the current wait times in the USCBP Hall.

Director Tolan inquired on Airlines that offer flights to Saipan other than with United Airlines. The Executive Manager replied that Arctic Air and Star Marianas provide flights to Saipan.

**8. REPORT OF THE COMPTROLLER**

Ms. Antoinette Bautista, Accounting Supervisor, reported on the revenues and expenses of the Authority as of **April 30, 2016**. Ms. Bautista reported that year-to-date Total Signatory Revenues are above budgeted revenues by **2.6%**, year-to-date Total Concession Revenues and Passenger Facility Charges are below budget by **-1.0%**, respectively. Year-to-date Total Other Revenues, inclusive of non-signatory and non-airline revenues are above the budget estimate by **7.9%**. Year-to-date Total Operating Revenues Actual of **\$41.7M** is **2.7%** above the budget estimate of **\$40.6M**. Year-to-date Total Operating Expenses are below budget by **-14.2%**. Components of this line item include a **-1.8%** decrease in Personnel Service, a **-19.4%** decrease in Contractual Services, a **-61.3%** decrease in Materials & Supplies and a **-100.0%** decrease in Equipment/Furnishings from budgeted amounts for these respective categories. The actual year-to-date Net Revenues from Operations of **\$18.7M** reflects an increase of **35.5%** over the year-to-date budgeted amount of **\$13.8M**. Ms. Bautista reported that the year-to-date Debt Service Coverage is at **1.52** versus the requirement of **1.25**.

**9. EXECUTIVE SESSION**

The next item on the agenda was Executive Session.

Upon written recommendation of counsel, on motion duly made by Director Sgro, seconded by Director Tolan, and unanimously approved, the Board recessed to convene into Executive Session at 4:01 p.m. to discuss pending or threatened litigation to which GIAA is or may be a party. Executive Session convened at 4:11 p.m. Attending Executive Session were members of the Board, Executive Manager Ada, and Legal Counsel –Janalynn Cruz Damian.

Director Sobti and Director Camacho did not participate in portions of Executive Session due to previously disclosed conflicts of interest.

Executive Session adjourned at 4:45 p.m., at which time the Board reconvened the regular session.

Chairman Duenas announced that a number of items were brought to the Boards attention. The first item discussed was a Board resolution relative to authorizing signatories on GIAA's bank accounts, which reflects the newly elected Board officers. Said resolution would designate two of the following individuals together to execute checks, drafts, or other orders for and on behalf of GIAA:

1. Charles H. Ada II, Executive Manager;
2. Pedro R. Martinez, Deputy Executive Manager;
3. Ricardo C. Duenas, Chairman of the Board;
4. Jean M. Arriola, Airport Services Manager;
5. John A. Rios, Comptroller; and
6. Antoinette L. Bautista, General Accounting Supervisor

After further discussion, on motion duly made by Director Tolan, seconded by Director Sgro, the following resolution was unanimously approved:

**Resolution No. 16-46**

WHEREAS, the ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM ("GIAA" or the "Authority") has several bank accounts and desires to designate the individuals authorized to execute checks, drafts, or other orders for and on behalf of GIAA.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of GIAA hereby designates two of the following individuals together to execute checks, drafts, or other orders for and on behalf of GIAA:

1. Charles H. Ada II; Executive Manager
2. Pedro R. Martinez, Deputy Executive Manager;
3. Ricardo C. Duenas, Chairman of the Board;
4. Jean M. Arriola, Airport Services Manager
5. John A. Rios, Comptroller; and
6. Antoinette L. Bautista, General Accounting Supervisor

BE IT RESOLVED FURTHER, that one of the two signatories must include any one of the following: the Chairman, the Executive Manager, the Deputy Executive Manager; or the Comptroller.

BE IT RESOLVED FURTHER, that the authority of the above-designated individuals to execute checks, drafts, or other orders for and on behalf of GIAA shall be limited only to authorized

expenditures of GIAA and as is consistent with the execution of their respective duties, statutory or otherwise, as officers or directors of GIAA.

BE IT RESOLVED FURTHER, that the designation of the above-named individuals supersedes all prior designations by the Board of Directors of GIAA on file at all banking institutions at which GIAA maintains its accounts.

The second item discussed was a request to approve Legal representation with Attorney Tom Fisher for GIAA Board members and Executive Manager Ada in their official capacity relative to the Sunshine Act Litigation.

After further discussion, on motion duly made by Director Sgro, seconded by Director Sobti, the following resolution was unanimously approved:

**Resolution No. 16-47**

The Board hereby approves the request for Attorney Tom Fisher to represent the GIAA Board of Directors and Executive Manager Ada in their official capacities relative to the Sunshine Act Litigation.

The third item discussed was a request from Legal Counsel for the Board to approve and authorize payment to Calvo Fisher & Jacob LLP, for April and May 2016 invoices for legal services.

Director Sobti and Director Camacho did not participate in the discussion or vote on the referenced item because of previously disclosed conflicts of interest.

After further discussion, on motion duly made by Director Gerber, seconded by Director Sgro, the following resolution was unanimously approved:

**Resolution No. 16-48**

The Board hereby authorizes the Authority to issue payment to Calvo Fisher & Jacob LLP for legal fees incurred in April and May 2016 as follows: April legal fees relative to the DFS arbitration matter, in the amount of \$35,191.43; and May legal fees that exceed the monthly cap, in the amount of \$49,011.69.

Chairman Duenas advised that there is a request from Legal Counsel for Board's approval to waive the monthly cap for anticipated legal fees in June 2016. The Chairman inquired what the ramifications were if the Board should not approve today. Legal Counsel replied that the invoices would come before the Board for approval at the next Board meeting. The Board agreed that it would be in the best interests of the Authority to wait until the invoices are received rather than to waive the cap beforehand.


**10. PUBLIC COMMENTS**

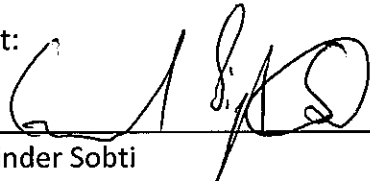
There were no public comments.

**11. ADJOURNMENT**

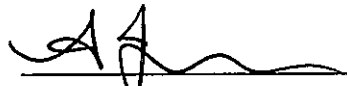
Motion to adjourn duly made by Director Tolan, seconded by Director Sobti; motion unanimously passed. The meeting was adjourned at 4:50 p.m.

Dated this 13<sup>th</sup>, day of July, 2016.

  
\_\_\_\_\_  
Ricardo C. Duenas  
Chairman

Attest:  
  
\_\_\_\_\_  
Gurvinder Sobti  
Secretary

Prepared and Submitted By:

  
\_\_\_\_\_  
Amanda O'Brien-Rios  
Corresponding Secretary

A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM  
Board of Directors Regular Board Meeting  
3:00 p.m. Thursday, June 9, 2016  
GIAA Terminal Conference Room #3

SIGN-IN SHEET

	<u>PRINT NAME</u>	<u>COMPANY/AGENCY</u>
1.	Blaine Dydasco	Sen. Tom Ada
2.	RHBA C-RIO S	LOTTE DUTY FREE
3.	LETITIA LAW-BYERLY	LOTTE DUTY FREE
4.	FRANK TARTANO	GISA
5.	J.G. JAVELLANA	PMO
6.	Gerard Bautista	ATM
7.	Nestor Licanto	KUAM
8.	EMMA	CPB
9.	VICTOR J. CRUZ	GUAM ENGR.
10.	Angelica Perez	AM INSURANCE.
11.	Jean Arriola	GIAA
12.	ANN BAUTISTA	GIAA
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